

### REMARKS

This responds to the Office Action mailed on June 19, 2006. Claims 1-29 are pending in this application. Applicant does not admit that the cited references are prior art and reserves the right to “swear behind” each of the cited references as provided under 37 C.F.R. 1.131.

#### §103 Rejection of the Claims

Claims 1-26 were rejected under 35 U.S.C. § 103(a) as being unpatentable over French et al. (U.S. 6,263,447) in view of Harrington et al. (U.S. 6,161,099). Applicant submits that the Office Action has not established a *prima facie* case of obvious vis-à-vis claims 1-26 and 28-29.

The Examiner has the burden under 35 U.S.C. § 103 to establish a *prima facie* case of obviousness. *In re Fine*, 837 F.2d 1071, 1074, 5 USPQ2d 1596, 1598 (Fed. Cir. 1988). In order for the Examiner to establish a *prima facie* case of obviousness, three base criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on applicant’s disclosure. (Emphasis added.)<sup>1</sup>

Applicant submits the Office Action has not established a *prima facie* case of obvious because (1) the Office Action does not identify a motivation for combining the cited references and (2) the Office Action uses Applicant’s specification in forming the combination. The discussion below will address these issues.

In the Response to Arguments section, the Office indicated the following:

[B]oth references relate to conducting transaction over the Internet. The motivation to modify French to include registration of users in the auction environment, as disclosed in Harrington et al. would be the advantage of

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<sup>1</sup> M.P.E.P. § 2142 (citing *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed.Cir. 1991)).

enhancing the security of the transaction system, thereby preventing financial fraud.<sup>2</sup>

Applicant submits that the Office Action uses applicant's specification and impermissible hindsight as a basis for combining French with Harrington. The MPEP states, "The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, not in applicant's disclosure."<sup>3</sup> Furthermore, the Examiner must avoid hindsight.<sup>4</sup>

Applicant points out that the statement is taken from Applicant's disclosure. Specifically, the application discloses the need for enhancing user trust:

However, access to the network-based transaction facility cannot be unlimited. Indeed, for participants of a network-based transaction facility, verification of user identity is particularly important for enhancing user trust in the transaction facility. In other words, a reasonable assurance that a trader is who he or she claims to be may be particularly valuable and useful in providing other traders with a degree of confidence regarding that specific trader and the transaction facility itself.<sup>5</sup>

The Office Action's reasoning restates concepts in Applicant's disclosure. If the Office Action were not relying on the Applicant's disclosure, the Office Action would have identified passages from French, Harrington, or other references that support its reason for combining the references. Because the Office Action has not provided a basis for combining French and Harrington, Applicant submits that the Office Action used impermissible hindsight when rejecting the above-cited claims.

Moreover, Applicant submits that the nature of the problem solved by the claimed invention does not provide a motivation for modifying French with features of Harrington, as asserted in the Office Action (See the remarks in the previous response to the Office Action mailed on October 21, 2005.).

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<sup>2</sup> Final Office Action at page 9.

<sup>3</sup> MPEP § 2143 quoting *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991);

<sup>4</sup> *In re Bond*, 910 F.2d 831, 834, 15 USPQ2d 1566, 1568 (Fed. Cir. 1990).

<sup>5</sup> Application at p. 3, lines 2-7.

Because the Office Action has not established a *prima facie* case of obviousness under 35 U.S.C. §103, Applicant respectfully submits that the rejection of claims 1-26 and 28-29 under 35 U.S.C. §103 has been overcome.

#### Claims 28-29

Claims 28 and 29 were rejected under 35 U.S.C. § 103(a) as being unpatentable over French et al. in view of Harrington et al., as applied to claim 1, and further in view of Hoekstra (U.S. 5,905,862). Applicant respectfully traverses the rejection.

With regard to claims 28-29, in addition to the remarks set forth above regarding claim 1 (from which such claims depend), Applicant respectfully submits the following remarks. With regard to claim 28, among the differences, claim 28 recites “wherein the predetermined threshold is proportionate to at least one of a size of the network-based transaction facility and a type of operation of the network-based transaction facility.” With regard to claim 29, among the differences, claim 29 recites “wherein the predetermined threshold is varied based on whether the user is a corporation or an individual.”

In the Response to Arguments section, the Office indicated the following:

[I]t is old and well know (sic). For example, Hoekstra teaches an automatic web site registration with multiple search engines wherein different types of restrictions (predetermined threshold) are applied for registering with different types of search engines.<sup>6</sup>

Applicant submits the Office Action has not established a *prima facie* case of obvious because the cited references do teach or suggest all the claim limitations. None of the references disclose or suggest registering a user if the verification rating exceeds a threshold that is proportionate to the size or type of operation of a network-based facility. Moreover, none of the references disclose or suggest that the threshold is varied based on whether the user is a corporation or individual. The Office seems to rely on Hoekstra at col. 9, lines 15-25 regarding these limitations in claims 28-29. However, the section in Hoekstra relates to web site registration (not user registration). Specifically, this section in Hoekstra relates to automatic

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<sup>6</sup> Final Office Action at page 9.

registration of web sites across multiple search engines, wherein the web site is required to meet restrictions for a search engine prior to registration. None of the cited references disclose or suggest the recited limitations in claims 28-29.

Because the Office Action has not established a *prima facie* case of obviousness under 35 U.S.C. §103, Applicant respectfully submits that the rejection of claims 28-29 under 35 U.S.C. §103 has been overcome.

#### Claim 27

Claim 27 was rejected under 35 U.S.C. § 103(a) as being unpatentable over French et al. in view of Harrington et al., and further in view of Ng (U.S. 6,405,174). In addition to the remarks for claim 1 (from which claim 27 depends), Applicant respectfully submits the following remarks. Applicant submits the Office Action has not established a *prima facie* case of obvious because the cited references do not teach or suggest all the claim limitations.

Among the differences, claim 27 recites “allowing a second user of the network-based auction facility to access an indicator of verification of the user.” In the Response to Arguments section, the Office indicated that this limitation is disclosed by Ng:

Ng discloses assigning ratings (indicator of verification) to the user based on the accuracy of information provided by the user. Furthermore, Ng teaches that if other (second) users accesses said information provided by the user and determine an error in said provided by the user information, it can affect said rating (indicator of verification) of the user (col. 13, lines 45-46; col. 14, lines 10-19).<sup>7</sup>

Applicant respectfully traverses this assertion. This section of Ng relates to users given “accuracy ratings based on the number of errors that have been detected in their product submissions, or based on feedback comments by other users.”<sup>8</sup> This section of Ng does not disclose the above cited claim limitation for at least two reasons. First, the ratings in this section of Ng are for accuracy of input by users into the system (not for verification of the user based on

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<sup>7</sup> Final Office Action at page 9.

<sup>8</sup> Ng at column 14, lines 12-15.

input during registration). Second, this section of Ng does not disclose that the accuracy ratings are disclosed among users. Rather, the users are allowed to access each others product submissions to determine errors therein. None of the cited references disclose or suggest the recited limitations in claim 27.

Because the Office Action has not established a *prima facie* case of obviousness under 35 U.S.C. §103, Applicant respectfully submits that the rejection of claim 27 under 35 U.S.C. §103 has been overcome.

**CONCLUSION**

Applicant respectfully submits that the claims are in condition for allowance and notification to that effect is earnestly requested. The Examiner is invited to telephone Applicant's attorney at (612) 371-2103 to facilitate prosecution of this application.

If necessary, please charge any additional fees or credit overpayment to Deposit Account No. 19-0743.

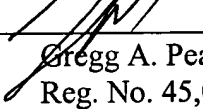
Respectfully submitted,

ALEX DAI-SHUN POON


By his Representatives,

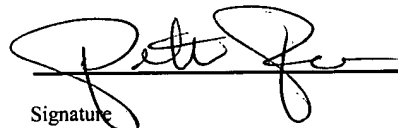
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By   
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CERTIFICATE UNDER 37 CFR 1.8: The undersigned hereby certifies that this correspondence is being deposited with the United States Postal Service with sufficient postage as first class mail, in an envelope addressed to: Mail Stop AF, Commissioner of Patents, P.O. Box 1450, Alexandria, VA 22313-1450 on this 20 day of November 2006.

  
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